

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-249-C - ORDER NO. 2002-750
OCTOBER 23, 2002

IN RE: Application of Pay Tel Communications, Inc.)	ORDER ✓
for Waiver of the Commission's Payphone)	GRANTING
Service Provider (PSP) Guideline, which)	WAIVERS
Requires Payphones to be Connected to a)	
Certified Local Exchange Carrier with a)	
Separate Access Line Designated and Tariffed)	
for such Purposes.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Pay-Tel Communications, Inc. (Pay-Tel or the Company) for a waiver of the Commission's Payphone Service Provider (PSP) Guideline, which requires pay telephones to be connected to a Certified Local Exchange Carrier with a separate access line designated and tariffed for such purposes (Guideline No. 19). In association with the provision of payphones in inmate facilities, Pay-Tel additionally requests waiver of the guideline which disallows line concentrations on inmate payphones (Guideline No. 20).

Pursuant to the instructions of the Commission's Executive Director, the Company published a Notice of Filing in newspapers of general circulation, and furnished affidavits of publication. No Protests or Petitions to Intervene were received in the matter. We will proceed to rule on this matter without a hearing, since the proposal is not part of a general rate case and does not affect the Company's general body of subscribers. See S.C. Code Ann. Section 58-9-540(A) (Supp. 2001).

As reasoning for its request for waivers of PSP Guideline Nos. 19 and 20, Pay Tel asserts that compliance with these guidelines would cause unusual hardship for the Company. According to Pay Tel, line concentration has become commonplace in the inmate telephone industry, arising out of the need to meet the specialized service requirements of confinement facilities. Pay Tel states that it is confident that concentration causes no service degradation based upon the Company's seven years of experience in employing line concentration in inmate telephone service in a number of other states. Further, Pay Tel believes that line concentration promotes efficient use of the telecommunications network, while providing line redundancy and ensuring that a line will always be available for outbound calls from the confinement facility. According to Pay Tel, the Company is obligated to provide a mix of service options to its clients and if line concentration is not allowed, providing inmate telephone services becomes more costly for Pay Tel. Pay Tel provides the following example:

“...jails are often constructed with isolation cells for only one inmate, or cells that house two inmates. An isolation cell may have a specific phone devoted to its exclusive use. Phone usage in these types of cells is more limited than the usage associated with a phone installed in the day room of a 30-cell housing unit serving 20-30 inmates. It is not economically feasible to serve these smaller cells unless the provider can use line concentration.”

Pay Tel states that it is required to provide both service arrangements, and that line concentration allows the Company to provide these arrangements in an economically efficient manner without diminishing service quality or line availability.

Pay Tel adds that it is committed to providing quality inmate telephone services in South Carolina and that in the eleven-plus years that the Company has provided inmate telecommunications services in South Carolina, presently serving twelve counties, Pay Tel is not aware of any complaints being alleged against the Company. Finally, Pay Tel, states its belief that granting the requested waivers would clearly serve the public interest.

Upon consideration of this matter, we believe that line concentrations on inmate pay telephones do present certain economic advantages for the Company and that waiver of guidelines 19 and 20 would serve the public interest. Accordingly, we grant waiver at this time of our Payphone Service Provider Guidelines 19 and 20, which require a separate access line for each payphone and disallow the connection of a payphone behind a PBX concentrator or other similar arrangement, based on good cause.

IT IS THEREFORE ORDERED:

1. The request of Pay Tel Communications, Inc. to waive Payphone Service Provider Guidelines 19 and 20 for its provision of inmate telephone services in South Carolina is granted upon the finding of this Commission that the requested waivers are in the public interest.

OCTOBER 23, 2002

PAGE 4

2. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Chairman

ATTEST:


Executive Director

(SEAL)